

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PROPOSED REVISION OF RULES)
REGARDING THE PROVISION OF)
WHOLESALE WATER SERVICE BY THE) CASE NO. 2011-00419
CITY OF VERSAILLES TO NORTHEAST)
WOODFORD WATER DISTRICT)

ORDER

The city of Versailles, Kentucky (“Versailles”) provides wholesale water service to Northeast Woodford County Water District (“Northeast Woodford District”) under a water purchase contract. On September 20, 2011, it filed with the Commission proposed rules that would establish a minimum volume of water that Northeast Woodford District must purchase monthly. It further proposes to place these rules into effect on November 1, 2011. Northeast Woodford District has requested an investigation into the reasonableness of the proposed rules and leave to intervene in such investigation.

Finding that further proceedings are necessary to determine the reasonableness of the proposed rules and that KRS 278.200 prohibits any change in the rate or service standard in a contract between a city and a utility without a hearing before the Commission, the Commission HEREBY ORDERS that:

1. This proceeding is established to investigate the reasonableness of the proposed rules.
2. Northeast Woodford District is granted leave to intervene in this investigation.

3. Northeast Woodford shall be entitled to the full rights of a party and shall be served with a copy of all Commission Orders and all documents filed by any party to this proceeding.

4. Versailles shall not take any action to implement the proposed rules until obtaining Commission approval.

5. To the extent permitted by law and consistent with KRS 278.200, Versailles' proposed rules are suspended.

6. The procedural schedule set forth in Appendix A to this Order shall be followed.

7. a. All responses to requests for information shall be appropriately bound, tabbed and indexed and shall include the name of the witness who will be responsible for responding to the questions related to the information provided, with copies to all parties of record and eight copies to the Commission.

b. Each response shall be under oath or, for representatives of a public or private corporation or a partnership or association or a governmental agency, be accompanied by a signed certification of the preparer or person supervising the preparation of the response on behalf of the entity that the response is true and accurate to the best of that person's knowledge, information, and belief formed after a reasonable inquiry.

c. A party shall make timely amendment to any prior response if it obtains information that indicates that the response was incorrect when made or, though correct when made, is now incorrect in any material respect.

d. For any request to which a party fails or refuses to furnish all or part of the requested information, that party shall provide a written explanation of the specific grounds for its failure to completely and precisely respond.

8. Any party that files written testimony shall file with the Commission an original and eight copies. Written testimony shall be in verified form.

9. The parties shall consider any request for information from Commission Staff as if ordered by the Commission.

10. Service of any document or pleading in paper form shall be made in accordance with 807 KAR 5:001, Section 3(7). Service upon a party shall be considered completed upon delivery of the document or pleading to the party or upon mailing the document or pleading to the party's address of record.

11. Any party filing a document or pleading with the Commission shall serve such document or pleading upon all other parties to this proceeding.

12. Any document or pleading that a party serves upon the other parties to this proceeding shall also be filed with the Commission.

13. At any hearing in this matter, neither opening statements nor summarization of direct or rebuttal testimony shall be permitted.

14. Direct examination of witnesses shall be limited to the authentication and adoption of that written testimony. No summarization of written testimony by the witness shall be permitted.

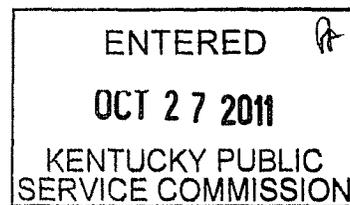
15. Witnesses who have filed written direct and rebuttal testimony shall present that testimony at the same sitting. Opposing parties may cross-examine such witnesses on both direct and rebuttal testimonies.

16. Motions for extensions of time with respect to the schedule herein shall be made in writing and will be granted only upon a showing of good cause

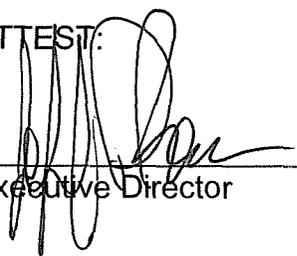
17. Pursuant to KRS 278.360, the record of the formal hearing in this matter shall be by videotape.

18. Commission Staff shall make a written exhibit list and shall file this list with the Commission with all exhibits and a copy of the video transcript of the hearing.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2011-00419 DATED **OCT 27 2011**

- Versailles shall file with the Commission the written testimony of its witnesses, in verified form, no later than 11/15/2011
- Requests for information shall be filed with the Commission and served upon Versailles no later than 11/29/2011
- Versailles' responses to requests for information shall filed with the Commission and served upon all parties no later than 12/12/2011
- Supplemental requests for information shall be filed with the Commission and served upon Versailles no later than..... 12/28/2011
- Versailles' responses to supplemental requests for information shall filed with the Commission and served upon all parties no later than..... 01/11/2012
- Intervening Parties shall file with the Commission the written testimony of its witnesses, in verified form, no later than 01/25/2012
- Requests for information shall be filed with the Commission and served upon Intervening Parties no later than..... 02/08/2012
- Intervening Parties' responses to supplemental requests for information shall filed with the Commission and served upon all parties no later than 02/22/2012
- Versailles shall file rebuttal testimony, in verified form, no later than..... 03/07/2012
- An informal conference shall be held at the Commission's offices in Frankfort, Kentucky for the purpose of considering the possibility of settlement, the simplification of issues, and any other matters that may aid in the handling or disposition of this case, beginning at 10:00 a.m., Eastern Daylight Time, on 03/13/2012
- Public Hearing is to begin at 10:00 a.m., Eastern Daylight Time, in Hearing Room 1 of the Commission's offices at 211 Sower Boulevard, Frankfort, Kentucky, for the purpose of cross-examination of witnesses of Versailles and the Intervening Parties..... To Be Announced

John S Davis
Chairman
Northeast Woodford County Water District
225A South Main Street
Versailles, KY 40383

William K Moore
126 South Main Street
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